BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

October 25, 2005

| IN RE: | |
|---|------------------------|
| PETITION FOR ARBITRATION OF CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS | DOCKET NO. 03-00585 |
| D/D/A VERIZON WIRELESS |) |
| PETITION FOR ARBITRATION OF BELLSOUTH MOBILITY |) |
| LLC; BELLSOUTH PERSONAL COMMUNICATIONS, LLC; |) |
| CHATTANOOGA MSA LIMITED PARTNERSHIP; |) |
| COLLECTIVELY D/B/A CINGULAR WIRELESS |) |
| |) |
| PETITION FOR ARBITRATION OF AT&T WIRELESS PCS, LLC |) |
| D/B/A AT&T WIRELESS |) |
| PETITION FOR ARBITRATION OF T-MOBILE USA, INC. |) |
| retition for Arbitration of 1-Mobile USA, INC. | , \ |
| PETITION FOR ARBITRATION OF SPRINT SPECTRUM L.P. | ,) |
| D/B/A SPRINT PCS | ,) |
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ORDER SUSPENDING PROCEDURAL SCHEDULE

On January 12, 2005, the arbitration panel assigned to this matter deliberated the issues raised in this arbitration concerning the interconnection agreements of the participating Commercial Mobile Radio Service providers¹ ("CMRS Providers") and the participating Rural Coalition of Small Local Exchange Carriers and Cooperatives² ("Coalition"). The panel

¹ Cellco Partnership d/b/a Verizon Wireless, New Cingular Wireless PCS, LLC d/b/a Cingular Wireless, Sprint Spectrum L P. d/b/a Sprint PCS and T-Mobile USA, Inc

Ardmore Telephone Company, Inc, Ben Lomand Rural Telephone Cooperative, Inc, Bledsoe Telephone Cooperative, CenturyTel of Adamsville, Inc, CenturyTel of Clairborne, Inc, CenturyTel of Ooltewah-Collegedale, Inc, Concord Telephone Exchange, Inc, Crockett Telephone Company, Inc, Dekalb Telephone Cooperative, Inc, Highland Telephone Cooperative, Inc, Humphreys County Telephone Company, Loretto Telephone Company, Inc, Millington Telephone Company, North Central Telephone Cooperative, Inc, Peoples Telephone Company, Tellico Telephone Company, Inc, Tennessee Telephone Company, Twin Lakes Telephone Cooperative Corporation, United Telephone Company, West Tennessee Telephone Company, Inc and Yorkville Telephone Cooperative

established an interim rate and continued the docket to establish a permanent rate.³ The Tennessee Regulatory Authority ("Authority") has not yet issued a decision memorializing the arbitration panel's decision.

On August 24, 2005, the Hearing Officer established a procedural schedule for the rate phase of the proceeding.⁴ In accordance with that schedule, the members of the Coalition filed the Description of Cost Study Methodology Proposed by the Members of the Rural Coalition of Small LECs and Cooperatives on August 11, 2005. On August 31, 2005, the CMRS Providers filed the Response of CMRS Providers to Cost Study Methodologies Proposed by the Rural Coalition. The filings reflected an ongoing dispute between the Coalition and the CMRS Providers regarding the appropriate methodology for the TELRIC-compliant cost studies to be performed by the Coalition.

The parties presented oral argument regarding the cost-study methodologies before the arbitration panel on September 7, 2005. During the proceedings, the arbitration panel directed the Coalition to provide enough information regarding the proposed cost study methodologies for the CMRS Providers and the Authority to evaluate the proposed methodologies and determine whether the methodologies are TELRIC-compliant.⁵ The panel ordered the Coalition members to file their TELRIC-compliant cost-study models and formulas by September 28, 2005 and the CMRS Providers to file their responses by October 11, 2005.⁶ The parties later agreed to an extension for the CMRS Providers' response, through October 18, 2005, and the Hearing Officer granted the parties' request for the extension.⁷

On September 28, 2005, the Coalition filed its *Proposed Cost Methodology and Model Descriptions Filed on Behalf of the Rural Coalition*. On October 18, 2005, the CMRS Providers

³ See Transcript of Status Conference, p 10 (June 14, 2005)

⁴ See Order Establishing Procedural Schedule for Rate Phase of Proceeding (August 24, 2005)

⁵ See Transcript of Proceedings, pp. 77-79 (September 7, 2005)

⁶ Id at 76

⁷ See Joint Letter Requesting Extension (October 7, 2005); Order Granting Extension of Time (October 25, 2005)

filed the Response of CMRS Providers to Cost Study Methodologies and Model Descriptions Proposed by Rural Coalition, in which they asserted that "none of the six (6) cost models submitted on September 28th, as filed, can be considered TELRIC-compliant."

Based on the foregoing, the Hearing Officer finds the procedural schedule in this matter should be suspended.⁹ If the parties are unable to reach agreement concerning the specific methodologies and formulas to be utilized by the Coalition members in performing their cost studies, the matter may be placed before the arbitration panel for determination of whether the Coalition members must employ a specific method or model.

IT IS THEREFORE ORDERED THAT:

- 1. The procedural schedule entered in this docket on August 24, 2005 is suspended until both (1) the Authority issues an order memorializing the arbitration panel's January 12, 2005 decisions and (2) a determination is made, by agreement of the parties or order of the arbitration panel, concerning the specific methodologies and formulas to be utilized by the Coalition members in performing their cost studies.
- 2. The parties shall submit a written notification to the Authority if they reach agreement concerning the cost study methodologies and formulas.

3. The Hearing Officer shall issue a modified procedural schedule upon resolution of these matters.

Pat Miller, Director As Hearing Officer

⁸ Response of CMRS Providers to Cost Study Methodologies and Model Descriptions Proposed by Rural Coalition, p

^{2 (}October 18, 2005)
⁹ Transcript of Status Conference, pp 18-19 (July 21, 2005).